

MASUDA, FUNAI, EIFERT & MITCHELL, LTD.

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Attorneys for Ryobi Ltd. and Ryobi Die Casting (USA), Inc.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

_____	x	
	:	
IN RE:	:	Chapter 11
	:	
GENERAL MOTORS	:	
CORPORATION, et al.,	:	Case No. 09-50026 (REG)
	:	
Debtors.	:	(Jointly Administered)
	:	
_____	x	

**LIMITED OBJECTION OF RYOBİ LTD. AND RYOBİ DIE CASTING (USA), INC. TO
NOTICE OF (I) DEBTORS' INTENT TO ASSUME AND ASSIGN ADDITIONAL
EXECUTORY CONTRACTS, UNEXPIRED LEASES OF PERSONAL PROPERTY,
AND UNEXPIRED LEASES OF NON-RESIDENTIAL REAL PROPERTY AND
(II) CURE AMOUNTS RELATED THERETO**

Ryobi Ltd. and Ryobi Die Casting (USA), Inc. ("RDC" and together with Ryobi Ltd., the "Ryobi Group"), by and through their undersigned counsel, object on a limited basis to Notice of (I) Debtors' Intent to Assume and Assign Additional Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Non-Residential Real Property and (II) Cure Amounts Related Thereto (the "Cure Notice"). In support of this limited objection, Ryobi Group state as follows:

1. On June 1, 2009, the above-captioned Debtors and Debtors-in-Possession (collectively, the “Debtors”) filed their *Debtors’ Motion Pursuant to 11 U.S.C. Sections 105, 363(b), (f), (k), and (m), and 365, and Fed. R. Bankr. P. 2002, 6004, and 6006 to (I) Approve (A) the Sale Pursuant to the Master Sale and Purchase Agreement with Vehicle Acquisition Holdings, LLC, a U.S. Treasury-Sponsored Purchaser, Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (B) the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (C) Other Relief; and (II) Schedule Sale Approval Hearing* [Docket No. 92] (the “Sale Motion”).

2. On June 2, 2009, the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) entered an order [Docket No. 274], which set out certain procedures pursuant to which Debtors were required to give notice of executory contracts and unexpired leases that the Debtors would seek to assume and assign, and amounts that the Debtors believe are required to “cure” defaults under those contracts and leases (the “Cure Procedures”).

3. It appears that, on or about June 15, 2009, the Debtors issued the Cure Notice to a “Ryobi Die Castings Inc.” The Cure Notice directed the recipient to view on GM’s dedicated website the proposed GM cure amount for the contracts to be assumed and assigned. The website lists the contracts which GM intends to assume and assign, and each contract’s related proposed cure amount. Per Ryobi Ltd.’s books and records, it does not currently conduct business with GM; instead GM’s contractual relationship is with RDC. In reviewing the website, RDC discovered that it appears that none of its GM contracts relating to GM’s Baltimore facility are being assumed and assigned, and therefore there does not appear to be a cure amount listed on the website concerning those GM-Baltimore facility related contracts. In addition, although the contract listing on the website identifies Ryobi Ltd. as a contracting party with GM for

certain contracts, those contracts are instead with RDC. RDC, after an initial inquiry, believes that the cure amount as proposed by the Debtors is incorrect relative to the contracts intended to be assumed by the Debtors (which appears to be less than all of the open contracts between RDC and one or more of the Debtors) (collectively, the "Assigned Contracts"). When RDC accessed the secure website set up by the Debtors, the website page dedicated to the Assigned Contracts lists the amount of \$209,625.01 that the Debtors believe must be paid to cure all defaults under the Assigned Contracts in accordance with §365(b) of the Bankruptcy Code (the "Debtors' Proposed Cure Amount"). According to the books and records of RDC, the actual cure amount required to be paid pursuant to Section 365(b) of the Bankruptcy Code is approximately \$348,501.39, as further provided herein (the "Actual Cure Amount").

4. The Debtors and RDC (not Ryobi Ltd.) are parties to numerous contracts and purchase orders pursuant to which RDC (not Ryobi Ltd.) provides goods and/or services to the Debtors.

**THE DEBTORS OWE A CURE AMOUNT IN
EXCESS OF THE DEBTORS' PROPOSED CURE AMOUNT**

5. 11 U.S.C. §365(b)(1) of the Bankruptcy Code provides that,

if there has been a default in an executory contract or unexpired lease of the debtor, the trustee may not assume such contract or lease unless, at the time of the assumption ... the trustee (A) cures ... such default.

6. RDC is presently reconciling the amounts due pursuant to the Assigned Contracts and based upon its present estimation believes that the amount Debtors owe RDC under the Assigned Contracts is \$348,501.39, subject to final reconciliation by RDC. In order for the Debtors to assume the Assigned Contracts, they must make timely cure to RDC. 11 U.S.C. §365. If they fail to propose and make a timely cure of the Actual Cure Amount, they cannot assume the contracts. Id.

7. Additionally, Debtors should confirm that any post-petition amounts owing under the Assigned Contracts will be paid timely.

8. While RDC does not object to the Debtors' sale of its assets, RDC does object to Debtors' failure to timely cure the Actual Cure Amount and any other defaults under the Assigned Contracts.

WHEREFORE, Ryobi Group request that the Bankruptcy Court sustain the objections and enter an order requiring Debtors to pay the Actual Cure Amount and cure any and all defaults under the Assigned Contracts.

Dated: June 24, 2009
Chicago, Illinois

MASUDA, FUNAI, EIFERT
& MITCHELL, LTD.

By: /s/ Rein F. Krammer
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CERTIFICATE OF SERVICE

I, Rein F. Krammer, do hereby certify that I served the following *Limited Objection of Ryobi Ltd. and Ryobi Die Casting (USA), Inc. to Notice of (I) Debtors' Intent to Assume and Assign Additional Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Non-Residential Real Property and (II) Cure Amounts Related Thereto* upon all parties on the attached Service List via Federal Express – Overnight Mail, on this 24th day of June, 2009.

A handwritten signature in black ink, appearing to read 'Rein F. Krammer', is written over a horizontal line.

Rein F. Krammer, Esq.

SERVICE LIST

General Motors Corporation
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Warren, Michigan 48090-9025
Attn.: Warren Command Center, Mailcode 480-206-114

Weil, Gotshal & Manges LLP
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Attn.: Harvey R. Miller, Esq., Stephen Karotkin, Esq.
and Joseph H. Smolinsky, Esq.

The U.S. Treasury
1500 Pennsylvania Avenue NW
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Attn.: Matthew Feldman, Esq.

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